

## **VIRGINIA HEALTH REFORM INITIATIVE**

### **ADVISORY COUNCIL**

#### **SUMMARY OF DISCUSSION OF AUGUST 21 MEETING ON INSURANCE REFORM**

##### **Draft Charge to Insurance Reform Task Force**

**In August, the Advisory Council established the following facts and shared judgments:**

1. The Virginia Bureau of Insurance (BOI) will need new statutory authority to enforce some elements of PPACA.
2. The functions of the BOI are separate and different from the Exchange(s) and the regulatory functions of the BOI should not be performed by the Exchange.
3. The exchange that PPACA requires to be operational by 2014 is for those without employer offers of insurance and for those in small firms (less than 100 full time workers) that choose to use the Exchange rather than the grandfathered plans that will remain outside the exchange.
4. Many Virginians cannot afford health insurance today, and despite the best efforts of those in Virginia's elaborate safety, some go without needed services as a result.

**QUESTIONS the AC would like the Task Force to answer for the October meeting:**

1. How will the BOI review proposed premium increases under the law? What elements will matter most?
2. Will BOI seek grants for and create an ombudsman or consumer assistance function related to PPACA?
3. What might be good goals and functions for the Exchange?
4. How should the exchange be structured and governed to achieve these goals?
5. How will exchange likely transform current markets?
6. What policy actions might promote affordability and mitigate risk selection?
7. How do we ensure seamless transitions between commercial and public insurance in the 2014 world of subsidies up to 400% FPL?